Supreme Court, U.S.
FILED
NOV 18 1992
OFFICE OF THE CLERK

No. 92-677

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1992

CENTURY LIFE OF AMERICA,

Petitioner,

v.

CENTURY 21 REAL ESTATE CORPORATION,

Respondent.

BRIEF IN OPPOSITION TO THE PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

MICHAEL A. GROW
VORYS, SATER,
SEYMOUR & PEASE
1828 L Street, N.W.
Washington, D.C. 20036
(202) 467-8800
Attorney for Respondent.

November 18, 1992

Washington, D.C. • THIEL PRESS • (202) 328-3286

QUESTIONS PRESENTED

1. Did the Federal Circuit comply with Rule 52(a) of the Federal Rules of Civil Procedure when it based its reversal of the Trademark Trial and Appeal Board's decision on the Board's erroneous conclusions of law without setting aside any findings of fact?

2. Is the Federal Circuit's opinion consistent with those of other circuits since (a) all federal Circuit Courts reverse findings of likelihood of confusion where, as here, such findings are based on erroneous conclusions of law, (b) the alleged conflict among the circuits was not an issue raised below, (c) it makes no difference to the outcome of this case whether there is a conflict, and (d) the Federal Circuit would be justified in using a different analysis since it is the only circuit which hears appeals concerning the registrability of trademarks directly from the Trademark Trial and Appeal Board?

3. Did the Federal Circuit correctly follow long standing precedent in holding that unproven allegations of third party use of unregistered marks on unrelated goods or services is of little or no relevance in evaluating likelihood of confusion?

4. Did the Federal Circuit correctly follow long standing precedent in holding that famous trademarks are entitled to broad protection and that the Trademark Trial and Appeal Board had misapplied a recent Federal Circuit opinion dealing with this issue?

TABLE OF CONTENTS

Page

QUESTIONS PRESENTED i

TABLE OF AUTHORITIES iv

PARTIES vii

STATUTES viii

STATEMENT OF THE CASE 1

I. Introduction 1

II. Factual Background 2

A. The Parties 2

B. Facts Pertaining to Likelihood of Confusion 4

1. The Board and the Federal Circuit Both Recognized that CENTURY 21 is a Strong and Famous Mark 4

2. The Board and the Federal Circuit Both Noted The Similarities in the Marks 5

3. The Board and the Federal Circuit Both Noted That The Services Offered Under the Parties' Marks Are Identical 6

4. The Board and The Federal Circuit Both Noted That The Parties Sell Their Insurance Through the Same Trade Channels, to the Same Types of Purchasers, and They use Similar Advertising 7

5. Century Life Did Not Introduce Any Valid Evidence of Relevant Third Party Use of Similar Marks 8

REASONS FOR DENYING THE WRIT

I. The Petition Should Be Denied Since The Federal Circuit Merely Corrected The Board's Erroneous Conclusions Of Law And Did Not Set Aside Any Factual Findings 8

A. The Federal Circuit Correctly Found that the Board had Applied an Erroneous Legal Standard In Evaluating the Fame of the CENTURY 21 Mark 10

Page

B. The Federal Circuit Correctly Found that the Board had Applied An Erroneous Legal Standard in Evaluating the Similarity in Channels of Trade 12

C. The Federal Circuit Correctly Found that the Board Had Applied an Erroneous Legal Standard in Evaluating Evidence of Alleged Use of Third Party Marks 14

1. Century Life Failed to Show Current or Former Third Party Use 15

2. Century Life Failed to Show Third Party Use on Related Goods or Services. 16

D. The Federal Circuit Correctly Found That the Board Applied an Erroneous Legal Standard in Evaluating the Identical Nature of the Parties' Services. 18

E. The Federal Circuit Correctly Held that the Board Applied an Erroneous Legal Standard in Evaluating the Similarity of the Marks 19

F. The Federal Circuit Correctly Held that the Board Applied an Erroneous Legal Standard by Failing to Resolve Doubt as to Confusion in Favor of the Prior User and Registrant. 20

II. The Petition Should Be Denied Since There Is No Conflict Among The Circuits As To The Treatment of Legal Error on The Issue of Likelihood of Confusion And The Issue Was Not Raised Below 21

III. The Petition Should Be Denied Since The Federal Circuit Correctly Applied The Law Pertaining To The Alleged Evidence of Third Party Use on Nonrelated Services 25

IV. The Petition Should Be Denied Since The Federal Circuit's Decision Is Consistent With Prior Decisions Holding That Famous Marks Are Entitled To A Broad Scope Of Protection 26

CONCLUSION 28

CERTIFICATE OF SERVICE 29

Page

TABLE OF AUTHORITIES

Cases:

A. Smith Bowman Distillery, Inc. v. Schenley Distillers, Inc., 198 F. Supp. 822 (D. Del. 1961) 19

Academy of Motion Picture Arts & Sciences v. Creative House Promotions, Inc., 944 F.2d 1446 (9th Cir. 1991) 11

Ambrit, Inc. v. Kraft Inc., 805 F.2d 974 (11th Cir. 1986) 23

AMF, Inc. v. Sleekcraft Boats, 599 F.2d 341 (9th Cir. 1979) 11

Atlantic Thermal Plastic Co. v. Faytex, 199 U.S. App. Lexis 19151 (Fed. Cir. 1992) 27

Banff Ltd. v. Federated Department Stores, Inc., 841 F.2d 486 (2d Cir. 1988) 22

B.V.D. Licensing v. Body Action Design, 846 F.2d 727 (Fed. Cir. 1988) 26, 27

Black and Decker Manufacturing Co. v. Big Yank Corporation, 231 U.S.P.Q. 484 (TTAB 1986) 12

Bose Corp. v. Consumers Union of U.S., Inc., 466 U.S. 485, *rehearing denied*, 467 U.S. 1267 (1984) 9

CBS, Inc. v. Morrow, 708 F.2d 1579 (Fed. Cir. 1983) 13

Century 21 Real Estate Corp. v. Century Resorts International, Inc., 211 U.S.P.Q. 227 (N.D. Ill. 1981) 20

Century 21 Real Estate Corp. v. Sandlin, 846 F.2d 1175 (9th Cir. 1988) 20

Century 21 Real Estate Corp. v. Magee, 19 U.S.P.Q.2d 1530 (C.D. Cal. 1991) 19, 20

Charrette Corp. v. Bowater Communication Papers, Inc., 13 U.S.P.Q.2d 2040 (TTAB 1989) 16, 25

In re Concordia International Forwarding Corp., 222 U.S.P.Q. 355 (TTAB 1983) 19

David Sherman Corp. v. Heublein, Inc., 340 F.2d 377 (8th Cir. 1965) 19

Page

Cases, continued:

Dow Corning Co. v. Applied Power Inds., Inc., 322 F. Supp. 943 (N.D.Ill. 1970) 24

In re E.I. du Pont de Nemours & Co., 476 F.2d 1357 (CCPA 1973) 8, 9, 14

Eclipse Associates, Ltd. v. Data General Corp., 894 F.2d 1114 (9th Cir. 1990) 17, 25

Falcon Rice Mill, Inc. v. Community Rice Mill, Inc., 725 F.2d 336 (5th Cir. 1984) 22

Giant Food, Inc. v. Nation's Foodservice, Inc., 710 F.2d 1565 (Fed. Cir. 1983) 10, 21, 27, 28

Hasbro Inc. v. Lanard Toys Ltd., 858 F.2d 70 (2d Cir. 1988) 22

James Burrough Ltd. v. Sign of the Beefeater, Inc., 572 F.2d 574 (7th Cir. 1978) 11

Kenner Parker Toys, Inc. v. Rose Art Industries, Inc., 963 F.2d 350 (Fed. Cir.), *cert. denied*, 61 U.S.L.W. 3260 (1992) 22, 26, 27

Kentucky Fried Chicken Corp. v. Diversified Packaging Corp., 549 F.2d 368 (5th Cir. 1977) 23

Kimberly-Clark Corp. v. H. Douglas Enterprises, Ltd., 774 F.2d 1144 (Fed. Cir. 1985) 10, 18, 25, 27

Lawn v. United States, 355 U.S. 311, *rehearing denied*, 355 U.S. 967 (1958) 22

Little Caesar Enterprises Inc. v. Pizza Caesar Inc., 934 F.2d 568 (6th Cir. 1987) 22

Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co., 799 F.2d 867 (2d Cir. 1986) 11

Miles Laboratories Inc. v. Naturally Vitamin Supplements, Inc., 1 U.S.P.Q.2d 1445 (TTAB 1986) 12, 13

Mobil Oil Corp. v. Pegasus Petroleum Corp., 818 F.2d 254 (2d Cir. 1987) 11, 19

National Steel Products Co. v. Quonset Hut, Inc., 211 U.S.P.Q. 820 (TTAB 1981) 16

Page

Cases, continued:

Nina Ricci S.A.R.L. v. E.T.F. Enterprises, Inc., 889 F.2d 1070 (Fed. Cir. 1989) 10, 21

Pizzeria Uno Corp. v. Temple, 747 F.2d 1522 (4th Cir. 1984) 23

Planter's Nut & Chocolate Co. v. Crown Nut Co., 305 F.2d 916 (CCPA 1962). 10, 21, 28

R.J. Reynolds Tobacco Co., v. R. Seeling & Hille, 201 U.S.P.Q. 856 (TTAB 1978) 11

San Fernando Electric Manufacturing Co. v. JFD Electronic Components Corp., 565 F.2d 683 (CCPA 1977) 13, 15, 21, 25

Smith Brothers Manufacturing Co. v. Stone Mfg. Co., 476 F.2d 1004 (CCPA 1973). 15, 25

Specialty Brands, Inc. v. Coffee Bean Distributors, Inc., 748 F.2d 669 (Fed. Cir. 1984). 10, 28

Sure-Fit Prods. Co. v. Saltzson Drapery Co., 254 F.2d 158 (CCPA 1958) 28

Volkswagenwerk Aktiengesellschaft v. Wheeler, 814 F.2d 812 (1st Cir. 1987) 11

Youakim v. Miller, 425 U.S. 231 (1976) 21-22

Statutes:

15 U.S.C. §1052. 2

15 U.S.C. §1063. 1

15 U.S.C. §1071. . . . . 2, 24

PARTIES

The caption of the case in this Court contains the names of all parties to the proceeding in the United States Court of Appeals for the Federal Circuit whose judgment is sought to be reviewed. Pursuant to Rule 29.1 of the Rules of the Supreme Court of the United States, the court is hereby notified that Metropolitan Life Insurance Company is the parent corporation of Respondent Century 21 Real Estate Corporation.

STATUTES

Section 2 of the Lanham Act, 15 U.S.C. §1052, provides in pertinent part:

> No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it –
>
> * * *
>
> (d) Consists of or comprises a mark which so resembles a mark registered in the Patent and Trademark Office, or a mark or trade name previously used in the United States by another and not abandoned, as to be likely, when used on or in connection with the goods of the applicant, to cause confusion, or to cause mistake, or to deceive . . . .

No. 92-677

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1992

CENTURY LIFE OF AMERICA,

Petitioner,

v.

CENTURY 21 REAL ESTATE CORPORATION,

Respondent.

BRIEF IN OPPOSITION TO THE PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

STATEMENT OF THE CASE

I. INTRODUCTION

Petitioner Century Life of America ("Century Life") filed an application with the Patent and Trademark Office to register the service mark CENTURY LIFE OF AMERICA ("LIFE OF AMERICA" disclaimed) for insurance underwriting services. Pursuant to 15 U.S.C. § 1063, Respondent Century 21 Real Estate Corporation ("Cen-

tury 21") opposed registration of the mark based on Cen-21's prior use and registration of a family of marks containing the word "CENTURY", including the famous mark CENTURY 21 which is registered for insurance and real estate brokerage services and related services. (3a, 11a). As grounds for the opposition Century 21 alleged that Century Life's mark was so similar to Century 21's previously used marks as to create a likelihood of confusion within the meaning of 15 U.S.C. §1052(d). The Trademark Trial and Appeal Board ("the Board") dismissed the opposition after finding no likelihood of confusion.

Pursuant to 15 U.S.C. 1071(a) Century 21 appealed the Board's decision to the United States Court of Appeals for the Federal Circuit. The appeal was based in part on the fact that the conclusions of law on which the Board based its dismissal of the opposition conflicted with its own prior decisions and the controlling decisions of the Federal Circuit.

In reversing the Board's decision, the Federal Circuit found that erroneous legal standards had been followed. The Federal Circuit also held that when the correct principles of law were applied to the facts of record there was a likelihood of confusion which required sustaining the opposition.

II. FACTUAL BACKGROUND

A. The Parties

Century 21 is the founder of the world's largest network of franchised real estate and insurance brokerage businesses. It operates as a wholly owned subsidiary of Metropolitan Life Insurance Company (4a). Currently,

there are more than 6,000 franchisees, each of which is licensed to use the name and mark CENTURY 21. (14a).

Century 21 was founded in 1971, and since that time the franchised brokers have used the mark CENTURY 21 to identify their services. Insurance services were first offered under the mark CENTURY 21 by licensed franchisees at least as early as 1974, and the mark has been continuously used in connection with the sale of insurance since that time. By 1978, Century 21 was encouraging the franchised offices to provide a full line of services. The Board found that Century 21 franchisees do provide a variety of services including real estate, insurance, mortgage and commercial investment services and securities sales. (15a).

Over the years Century 21 has had a number of subsidiaries or affiliated companies which have engaged in the insurance business including Neighborhood Professional Insurance Agency, Inc., which later changed its name to Cenguard Insurance Agency and subsequently to Century 21 Insurance Services, Inc. (4a). In 1985 Metropolitan Life Insurance Company, the second largest insurance company in the United States, purchased Century 21. *Id.* This acquisition occurred because of the close relationship between insurance and real estate and because it enhanced Century 21's ability to provide a full line of services to its prospective customers.

Century Life is a mutual insurance company headquartered in Waverly, Iowa. It operated for many years under the name Lutheran Mutual Life Insurance Company before deciding to adopt its current name in late 1984. (4a). Century Life adopted the name CENTURY LIFE OF AMERICA with full knowledge of Century 21's prior use of the famous mark CENTURY 21 and despite having conducted "a survey which suggested a

strong association in consumers' minds between the word 'Century' and CENTURY 21."[1] (4a-5a).

B. Facts Pertaining to Likelihood of Confusion

1. The Board and the Federal Circuit Both Recognized that CENTURY 21 is a Strong and Famous Mark

Both the Board and the Federal Circuit recognized that the mark CENTURY 21 has become strong and famous through years of intensive advertising and extensive nationwide use. (8a). Since at least as early as 1978, the mark CENTURY 21 has been advertised continuously on nationally broadcast television and radio programs, and in newspapers, magazines and other publications disseminated throughout the country. (4a, 14-15a). More than $300 million has been spent on this type of advertising, with approximately $40,000,000 being spent in 1988 alone. *Id.* Additionally, three to four times this amount, or close to $1 billion, has been spent by Century 21 franchisees on local advertising using such media as local newspapers, yellow pages, billboards, magazines, radio and cable television. *Id.*

In 1988 alone the total value of properties sold by Century 21 franchisees was $60 billion, and the number

---

[1] Century Life's petition describes its elaborate efforts to research and select a new name. However, it conspicuously refrains from mentioning its survey results. As the Federal Circuit noted, the survey indicated to Century Life, prior to its adoption of its new name, that consumers associate the word "CENTURY" in a company name with CENTURY 21. Century Life's officers discussed this association and reviewed Century 21's registrations. Notwithstanding the potential for confusion with its competitor Century 21, and notwithstanding the fact that it had an infinite number of names to choose from, Century Life not only adopted a mark that included the word "CENTURY" but also emphasized it by making it the first word in the mark and by combining it with descriptive, nondistinctive words.

of transactions involving Century 21 franchisees was 726,900. (4a). Century 21 franchisees participate as the listing or selling agent in one out of every nine sales of existing single family homes in the United States. In sales volume, number of transactions, and market share, Century 21 ranks first.

The insurance and real estate services provided by Century 21 franchisees are interwoven through the automatic referral of real estate customers to agents of Century 21 Insurance Services, Inc. The sale of insurance has been enhanced by Century 21's affiliation with Metropolitan Life. Soon after the affiliation Metropolitan's sales, training and marketing departments were integrated with Century 21's thereby allowing Century 21 brokers to offer all of Metropolitan's services.

The fame of the mark CENTURY 21 is demonstrated by various surveys that were included in the record. These showed that approximately 90% of all adult homeowners in the U.S. are familiar with Century 21. (15a). Approximately 52% of the people surveyed correctly identified Century 21 as being in the insurance business.

Century Life's own survey also showed that 17% of those surveyed thought of Century 21 when they saw the word "CENTURY" in a company name and 88% of those surveyed could name a company with "CENTURY" in its name – Century 21 being the company most frequently named. (4a-5a).

2. The Board and the Federal Circuit Both Noted the Similarities in the Marks

The Board and Federal Circuit noted that there are obvious similarities between the marks CENTURY 21 and CENTURY LIFE OF AMERICA. Both begin with the same word, and the "Board found that 'CENTURY'

is the dominant element of CENTURY LIFE OF AMERICA due to applicant's disclaimer of the rest of the mark."[2] (6a).

The words "LIFE OF AMERICA" are descriptive and therefore are incapable of distinguishing Century Life's mark from CENTURY 21. Century Life's own survey shows that, while the word "CENTURY" is connected in consumers' minds with Century 21, the word "America" is not associated with any particular company and is viewed as descriptive. Century Life also admitted that the word "life" is descriptive since it denotes life insurance.

3. The Board and the Federal Circuit Both Noted That The Services Offered Under the Parties' Marks Are Identical

The Board and the Federal Circuit both noted that the insurance services being offered by Century Life and Century 21 are identical in nature (7a) (18a). Because Century Life and Century 21 sell the same types of insurance, to the same types of prospective customers, they are direct competitors.[3]

The Board also found that there is a relationship between real estate brokerage services and insurance services. *Id.* Indeed, Century Life's vice president testified that he knew from his own experience that real estate agents sell insurance and that a crossover among real estate and insurance agents "can very much occur in the

---

[2]Century Life does not mention that its application contained a disclaimer of the highly descriptive phrase "Life of America," and the record is replete with evidence showing that the mark is frequently used in an abbreviated form, i.e., "CENTURY." (6a).

[3]Since over eighty (80) different companies have underwritten the various insurance products sold through the CENTURY 21 insurance system and since Century Life agents are allowed to handle insurance products underwritten by other companies, Century 21 and Century Life agents may sell policies underwritten by the same companies.

business." Furthermore, nothing precludes Century Life agents from selling real estate, and they may well be involved in offering real estate brokerage services. The tie between real estate and insurance services is a natural one because the purchase of a home triggers the need for many insurance products such as homeowners and mortgage insurance.

4. The Board and The Federal Circuit Both Noted That The Parties Sell Their Insurance Through the Same Trade Channels, to the Same Types of Purchasers, and They use Similar Advertising.

The Federal Circuit and the Board correctly noted that Century 21 and Century Life "advertise in the same media, offer the same services to the same types of purchasers, and employ the same trade channels." (7a). CENTURY 21 insurance services are provided through a network of approximately 1,400 Century 21 offices which sell CENTURY 21 insurance products through agents of Century 21 Insurance Company and through other Century 21 brokers who hold insurance licenses. These other licensed agents sell not only the insurance products of Century 21, but those of other insurance companies as well.

Century Life sells its services on a more limited scale through similar trade channels. It has a network of thirty-five (35) offices and occasionally uses independent insurance agents. Century Life agents also sell insurance underwritten by other companies.

These services are offered to the same types of purchasers. Both companies use the same target audience for their advertising, i.e., heads of families approximately twenty-five (25) to fifty-five (55) years of age with $30,000 or more in annual income. The parties' customers are ordinary purchasers with no particular sophistication.

Both companies use print advertising to sell their services. In addition, Century Life's agents display their individual agency names along with the company name in much the same way that Century 21 brokers display their brokerage names under the mark CENTURY 21.[4]

5. Century Life Did Not Introduce Any Valid Evidence of Relevant Third Party Use of Similar Marks

Century Life failed to introduce any third party registrations for insurance marks containing the word CENTURY. Although it attempted to show that the word CENTURY has been used as a component of trade names by third parties, it offered no evidence as to the extent of any such use. The evidence consisted primarily of excerpts from outdated telephone directories which contained a substantial number of listings for Century 21 franchisees. There was no evidence that any third parties used the word "CENTURY" in connection with the sale of insurance. The few listings for companies having the word "insurance" in their names generally were not listed in newer directories. (21a, n.19).

REASONS FOR DENYING THE WRIT

I.

THE PETITION SHOULD BE DENIED SINCE THE FEDERAL CIRCUIT MERELY CORRECTED THE BOARD'S ERRONEOUS CONCLUSIONS OF LAW AND DID NOT SET ASIDE ANY FACTUAL FINDINGS.

In analyzing the issue of likelihood of confusion, the Board is required to follow the rules of law set forth in *In re E.I. du Pont de Nemours & Co.*, 476 F.2d 1357 (CCPA 1973). The Federal Circuit reversed the Board's

---

[4]Century Life's Petition refers to its relatively moderate advertising expenditures. However, in the few advertisements

[footnote continued]

decision because the Board used erroneous legal standards in analyzing at least five of the *du Pont* factors.[5] (3a, 6a)

Century Life contends in its petition that the Federal Circuit violated Rule 52(a) of the Federal Rules of Civil Procedure by setting aside the Board's factual determinations without finding them to be "clearly erroneous." However, the Federal Circuit did not reverse any of the Board's factual findings. While Century Life has attempted to create the appearance of a factual dispute between the Board and the Federal Circuit, the court's decision merely holds that the application of correct legal principles to the facts found by the Board requires the opposition to be sustained. Such a holding does not violate Rule 52(a).[6] *See Bose Corp. v. Consumers Union of U.S., Inc.*, 466 U.S. 485, 501, *rehearing denied*, 467 U.S. 1267 (1984) (Fed. R. Civ. P. 52(a) does not inhibit an appellate court's power to correct errors of law).

---

created by Century Life, CENTURY LIFE OF AMERICA was usually displayed only as a trade name in a nonprominent manner. Most of Century Life's 1986 advertising expenditures, which amounted to $300,850, were for print advertising which did not refer to CENTURY LIFE OF AMERICA as a service mark. Century Life never specified any amounts spent on advertising the mark CENTURY LIFE OF AMERICA.

[5] Among the relevant *du Pont* factors considered by the Federal Circuit and the Board were (1) the similarity in the marks, (2) the similarity in the nature of the services, (3) the similarity of trade channels, (4) the fame of Century 21's mark, and (5) the number and nature of similar marks in use on similar services.

[6] Century Life contends that because the Federal Circuit did not comment on certain facts noted in the Board's opinion, it improperly set them aside without determining them to be clearly erroneous. However, the mere failure to mention a finding does not mean that it was set aside. The finding may have been irrelevant, or it may have had no bearing on the outcome in view of the errors of law made by the Board.

In this case the Federal Circuit reversed the Board not because it disagreed with the Board's findings of fact but because the Board committed errors of law in applying the *du Pont* factors. (6a) ("Board erred in its application of these factors").

A. The Federal Circuit Correctly Found that the Board had Applied an Erroneous Legal Standard In Evaluating the Fame of the CENTURY 21 Mark

The Board correctly found that the mark CENTURY 21 is famous (21a), and this finding was not set aside. However, the Federal Circuit reversed the Board's decision because the latter erred as a matter of law in holding "that the fame of the mark [CENTURY 21] weighed against a likelihood of confusion" (8a), and in failing to give the mark the requisite broad protection.

The prior decisions of the Federal Circuit are very clear on the legal significance of a finding of fame. In *Kimberly-Clark Corp. v. H. Douglas Enterprises, Ltd.*, 774 F.2d 1144, 1146-47 (Fed. Cir. 1985), the court held "that opposer's marks have acquired considerable fame, which weighs in its favor in determining likelihood of confusion." *Id.* (quoting *Giant Food, Inc. v. Nation's Foodservices, Inc.*, 710 F.2d 1565, 1570 (Fed. Cir. 1983); *See also, Nina Ricci S.A.R.L. v. E.T.F. Enterprises, Inc.*, 889 F.2d 1070, 1074 (Fed. Cir. 1989); *Planter's Nut & Chocolate v. Crown Nut Co.*, 305 F.2d 916, 925 (CCPA 1961) (there is "no excuse for even approaching the well known mark of a competitor").

Similarly, in *Specialty Brands, Inc. v. Coffee Bean Distributors, Inc.*, 748 F.2d 669, 675 (Fed. Cir. 1984), the court held

> [w]hen an opposer's trademark is a strong, famous mark, it can never be "of little consequence." The

> fame of a trademark may affect the likelihood that purchasers will be confused inasmuch as less care may be taken in purchasing a product under a famous name.

Other circuits, as well as the Board itself, have consistently granted broad protection to famous marks. For example, in *Mobil Oil Corp. v. Pegasus Petroleum Corp.*, 818 F.2d 254 (2d Cir. 1987), the Second Circuit affirmed a finding of infringement, even though the marks at issue were not used on directly competing goods, and held "[t]he unparalleled strength of Mobil's mark *demands* that it be given broad protection against infringers." *Id.* at 258 (emphasis added). *See also, Lois Sportswear, U.S.A., Inc. v. Levi Strauss & Co.*, 799 F.2d 867, 871 (2d Cir. 1986). In *James Burrough Ltd. v. Sign of the Beefeater, Inc.*, 572 F.2d 574, 576 (7th Cir. 1978), the Seventh Circuit held:

> A mark that is strong because of its fame or its uniqueness, is more likely to be remembered and more likely to be associated in the public mind with a greater breadth of products or services than is a mark that is weak.

See also, Academy of Motion Picture Arts & Sciences v. Creative House Promotions, Inc., 944 F.2d 1446, 1455 (9th Cir. 1991) (a strong mark is "afforded the widest ambit of protection") (citing *AMF, Inc. v. Sleekcraft Boats*, 599 F.2d 341, 349 (9th Cir. 1979)); *Volkswagenwerk Aktiengesellschaft v. Wheeler*, 814 F.2d 812, 819 (1st Cir. 1987).

In *Mobil* the court cited *R.J. Reynolds Tobacco Co. v. R. Seeling & Hille*, 201 U.S.P.Q. 856, 860 (TTAB 1978), which correctly held that "the law today rewards a famous or well known mark with a larger cloak of protection than in the case of a lesser known mark . . . ."

The Board's ruling in the instant case was inconsistent with *Reynolds* and other Board decisions that have repeatedly held that a well known mark "should be accorded broad protection against the adoption, use and registration of confusingly similar marks." *Miles Laboratories Inc. v. Naturally Vitamin Supplements, Inc.*, 1 U.S.P.Q.2d 1445, 1453 (TTAB 1986)[7]. *See also, Black and Decker Manufacturing Co. v. Big Yank Corporation*, 231 U.S.P.Q. 484, 487 (TTAB 1986) ("A strong mark is more likely to be remembered and more likely to be associated by consumers with a greater variety of goods.")

B. The Federal Circuit Correctly Found that the Board had Applied An Erroneous Legal Standard in Evaluating the Similarity in Channels of Trade

As a further ground for reversal the Federal Circuit explained that the

> Board found that both opposer and applicant advertise in the same media, offer the same services to the same types of purchasers, and employ the same trade channels. These findings enhance the likelihood of confusion. Instead of giving proper weight to this factor, the Board discounted this consideration because opposer had not shown that the same insurance agent offered both parties' services. (7a)

The Board's holding was a clear error of law because, as the Federal Circuit noted, "[a]n opposer need not establish the sale of both parties' services by the same

---

[7] *Miles* also held that "the propensity of consumers to associate a relatively unknown mark with one which is well known to them increases the likelihood of confusion, mistake or deception . . . The efforts which a trademark owner has undertaken in achieving renown for a mark . . . should be encouraged by the reward of a larger scope of protection for the trademark." 1 U.S.P.Q.2d at 1453.

vendor to show employment of the same trade channels." *Id.*

The issue in an opposition proceeding is whether the general trade channels for the types of goods or services listed in the application are similar to the general trade channels likely to be used by the opposer for its goods and services. It is a legal error for the Board to limit the trade channel analysis to the applicant's current established channels of trade because once the applicant's mark has been registered the applicant is free to market its products in all the normal channels of trade for those products.

The decision of the Board in this case was inconsistent with prior Federal Circuit decisions and the Board's own prior decisions. For example, in *Miles Laboratories*, 1 U.S.P.Q.2d at 1450, the Board correctly held that it must

> consider the identification of goods set forth in the relevant applications and/or registrations, regardless of what the record may reveal as to the particular nature of the parties' goods, their actual channels of trade, or the class of purchasers to which their sale is, in fact, directed.

(Citing *CBS, Inc. v. Morrow*, 708 F.2d 1579 (Fed. Cir. 1983)). The Board also acknowledged that it must "presume that the goods move in all channels of trade that are appropriate for goods so identified and may be sold to all classes of purchasers." *Id.*

Since neither Century 21's registrations nor Century Life's application contain any limitation as to how their insurance services are provided, the Board was required by law to assume that the services move through all available channels of trade.

In *San Fernando Electric Mfg. Co. v. JFD Electronic Components Corp.*, 565 F.2d 683, 684 (CCPA 1977) the

court found that the Board had given too much weight to an opposer's current channels of trade in concluding that it dealt with sophisticated purchasers. The court went on to hold that "[o]pposer's rights are not to be tied to its current business practices, which may change at any time. Its rights are as broad as its registration for [its goods]." *Id.* at 684.

By showing that the parties' services were offered through the same channels of trade and that the same agent could currently or in the future sell the services of both parties, Century 21 met its burden of showing that the similarity of the trade channels enhances the likelihood of confusion.

In reversing the Board's erroneous application of the law, the Federal Circuit correctly held that "an opposer does not have the burden to show sales of an infringing product by a specific chain of supermarkets or agents. Rather to invoke this *du Pont* factor, an opposer must show the sale of an infringing product in supermarkets or by agents in general, i.e., in similar trade channels." (7a-8a).

C. The Federal Circuit Correctly Found that the Board Had Applied an Erroneous Legal Standard in Evaluating Evidence of Alleged Use of Third Party Marks

Among the *du Pont* factors considered in evaluating likelihood of confusion is the "number and nature of similar marks *in use on similar goods [or services]*." *See, du Pont*, 476 F.2d at 1361 (emphasis added). The Federal Circuit's reversal was based in part on a finding that the "Board incorrectly applied this *du Pont* factor." (8a)

The record below is devoid of any evidence of third party registration or use of marks containing the word CENTURY for insurance services. Nonetheless, in

attempting to justify its decision, the Board relied on a number of irrelevant, out-of-date telephone directory excerpts and newspaper clippings, referring to non-insurance trade names containing the word "Century." This evidence fell outside the relevant inquiry identified in *du Pont* since it did not show (a) that any of the names were currently in use, (b) the extent to which they had ever been used, or (c) that any of them were ever used in connection with insurance or real estate brokerage services. In most instances, the word "century" was coupled with other words such as "x-ray laboratory", "seafood company" and "ambulance service" indicating that, if the companies were in business, they were operating in fields totally unrelated to insurance. (8a).

1. Century Life Failed to Show Current or Former Third Party Use

The Federal Circuit was correct in reversing the Board for having misapplied the law in this area since third party registrations, telephone directory excerpts, and the like are of no probative value on the issue of likelihood of confusion absent a showing of actual use. In *Smith Bros. Mfg. Co. v. Stone Mfg. Co.*, 476 F.2d 1004, 1005 (CCPA 1973), the Federal Circuit's predecessor held that

> in the absence of any evidence showing the *extent of use* of any such marks or whether any of them are now in *use*, they provide no basis for saying that the marks so registered have had, or may have, any effect at all on the public mind so as to have a bearing on likelihood of confusion.

Id. (emphasis in original).

Similarly, in *San Fernando Electric Mfg. Co. v. JFD Electronics Components Corp.*, 565 F.2d 683, 685 (CCPA 1977), the court refused to give weight to third

party registrations because there was "no evidence showing that any of them are *in use* so as to have conditioned the minds of prospective purchasers." *Id.* (emphasis in original). The Board's ruling also conflicts with its own prior decisions on this point.[8]

2. Century Life Failed to Show Third Party Use on Related Goods or Services.

Instead of ignoring this irrelevant evidence as required by prior decisions, the Board relied upon it and held incorrectly that the public had been exposed to the use of CENTURY in both trade names and marks.[9] From this erroneous premise the Board concluded that purchasers would not expect that all products or services with CENTURY in their marks emanate from a single source. (21a).

---

[8] *Charrette Corp. v. Bowater Communication Papers, Inc.*, 13 U.S.P.Q.2d 2040 (TTAB 1989), acknowledges that references to third parties are of no probative value on the question of likelihood of confusion absent evidence of actual use, *id.* at 2043, and that the mere appearance of a name in a news article does not prove that a term is in use or that it is being used as a mark. *Id.*

Similarly in *National Steel Products Co. v. Quonset Hut, Inc.*, 211 U.S.P.Q. 820, 823 (TTAB 1981), the Board held that

> "telephone listings have no probative value because they establish nothing more than that the listed names have been assigned telephone numbers. They cannot serve as evidence that the mark is or ever has been in use or, in the event that use had been established, what, if any, goods are identified thereby."

[9] The Board contradicted itself when it concluded that the public has been exposed to use of the terms as marks. In the same sentence, the Board concedes that this evidence does not prove that the various companies which were called or were listed in the directories and newspapers actually operate under the particular trade names or marks, but that "it does show that the public has been exposed to references to CENTURY in both trade names and marks." (21a). If there was no evidence that the companies used these terms as marks, then it was erroneous to conclude that the public has been exposed to them.

Of course, the issue was not whether purchasers would expect *all* services with "Century" in their marks to emanate from a single source, but whether confusion was likely when the marks CENTURY and CENTURY 21 are used on identical insurance services. The Board's speculation as to what purchasers would think concerning all "CENTURY" marks is irrelevant. Because the evidence cited by the Board provided no information as to the nature or extent of actual third party use, let alone use in insurance, it provided no support for the Board's conclusion at all.

Even if Century Life had shown third party use, it has long been established that evidence of such use on unrelated products is irrelevant. For example, in *Eclipse Associates, Ltd. v. Data General Corp.*, 894 F.2d 1114 (9th Cir. 1990), both parties were using the mark ECLIPSE for computer related goods. The appellant claimed that the district court had erred in excluding evidence showing use of the mark ECLIPSE for goods unrelated to the computer field. However, the Ninth Circuit affirmed holding that such unrelated use was irrelevant under federal law.

> [t]he fact that a floor cleaning product, commercial laundry folding equipment and industrial process heating equipment bear the name ECLIPSE is irrelevant to the case at bar and was correctly excluded.

Id. at 119.

Century Life's third party evidence clearly falls within the unrelated and irrelevant category and should not have been relied upon. Thus, the Federal Circuit correctly held that the "relevant inquiry examines the number and nature of similar marks used for services similar to insurance brokerage services." (8a).

The evidence showed that CENTURY 21 is a unique mark for insurance services, and the Federal Circuit ruled that this factor magnifies the likelihood of confusion. *Id.*[10] *See Kimberly-Clark*, 774 F.2d at 1147 (in the field of disposable diapers, prior to applicant, only appellant had used a short, two syllable mark ending in "IES" which weighed in favor of finding a likelihood of confusion).

Thus, the Board erred as a matter of law in relying on the irrelevant third party evidence as a factor weighing against a finding of likelihood of confusion, and the Federal Circuit correctly reversed the Board on this issue of law.

D. The Federal Circuit Correctly Found That the Board Applied an Erroneous Legal Standard in Evaluating the Identical Nature of the Parties' Services

The Board found that the insurance underwriting services identified in Century Life's application are substantially the same as the insurance brokerage services identified in Century 21's registration. The Federal Circuit did not set aside this finding but noted that the Board erred as a matter of law by failing to recognize the significance of this important fact.

When marks are used on virtually identical goods or services, the degree of similarity needed between the

---

[10]Century Life's claim that it offered substantial evidence of third party use in the field of insurance is simply false. The Board made no such finding, and the contention is expressly rejected by the Federal Circuit. (8a). As for the few listings that might have been in the field of insurance, there was no proof that the listings were correct, that the names had ever been used as service marks, or that the listings were for established businesses. Indeed, the Board expressly found that Century 21 had proven that many of the listings no longer appear in current editions of the same directories (21a, n. 19).

marks in order to find a likelihood of confusion is diminished. *Mobil v. Pegasus*, 818 F.2d at 258 ("closely related products require less similarity to support a finding of trademark infringement"); *Century 21 Real Estate v. Magee*, 19 U.S.P.Q.2d 1530, 1534 (C.D. Cal. 1991) ("when a plaintiff and defendant offer closely related goods or services, the degree of similarity in the marks need not be as great to support a finding of likelihood of confusion as in the case of dissimilar goods or services."); *David Sherman Corp. v. Heublein, Inc.*, 340 F.2d 377, 382 (8th Cir. 1965); *A. Smith Bowman Distillery, Inc. v. Schenley Distillers, Inc.*, 198 F. Supp. 822 (D. Del. 1961); *In re Concordia International Forwarding Corp.*, 222 U.S.P.Q. 355, 356 (TTAB 1983).

The Board erred by failing to apply this rule of law and by implying that, absent duplication of the entire mark CENTURY 21, there would be no likelihood of confusion. The Federal Circuit corrected this error noting that "[w]hen marks would appear on virtually identical goods or services, the degree of similarity necessary to support a conclusion of likely confusion declines." (7a).

The Board's failure to apply the law pertaining to the identical nature of the services constituted an error justifying reversal.

E. The Federal Circuit Correctly Held that the Board Applied an Erroneous Legal Standard in Evaluating the Similarity of the Marks

The Board correctly held that the word CENTURY is the dominant feature of Century Life's mark and that CENTURY is the first word in Century 21's mark. The Federal Circuit did not set aside these findings, but held that the Board erred by failing to recognize that the use of such similar marks for insurance would increase the likelihood of confusion.

The Federal Circuit's decision is consistent with that of at least three other federal courts, each of which followed the long established rule that the first word in a mark is often the dominant feature, and each of which held that CENTURY is the dominant feature of the mark CENTURY 21. *Century 21 Real Estate Corp. v. Sandlin*, 846 F.2d 1175 (9th Cir. 1988) ("The identical dominant term 'Century' is the lead word in each entity's name"); *Century 21 Real Estate Corp. v. Century Resorts Int'l, Inc.*, 211 U.S.P.Q. 227, 231 (N.D. Ill. 1981) ("likelihood of confusion is generated by the use of the identical dominant term 'century' as the lead word"); *Century 21 Real Estate Corp. v. Magee*, 19 U.S.P.Q.2d 1530, 1534 (C.D. Cal. 1991). In each case the similarity in the marks occasioned by the presence of the word CENTURY was found to enhance likelihood of confusion.

The Board's failure to follow this rule constituted an error of law justifying reversal.

F. The Federal Circuit Correctly Held that the Board Applied an Erroneous Legal Standard by Failing to Resolve Doubt as to Confusion in Favor of the Prior User and Registrant

Another error of law resulted from the Board's failure to apply the well established rule that "any doubts about likelihood of confusion . . . must be resolved against applicant as the newcomer." (9a). In dismissing Century 21's opposition, the Board admitted that this case had been "very difficult to resolve" and that various principles of trademark law would militate toward sustaining the opposition. (25a). However, the Board declined to resolve the issue of likelihood of confusion "by making a formalistic application of trademark principles." *Id.*

As demonstrated herein, this is simply another way of saying that the Board elected not to follow its own prece-

dents, the controlling decisions of the Federal Circuit, and universally accepted principles of trademark law. Among such principles is the requirement that in difficult cases, doubts as to likelihood of confusion must be resolved in favor of the prior registrant. *See, Giant Food*, 710 F.2d at 1571 ("if there is any doubt as to the likelihood of confusion, that doubt must be resolved against the newcomer."); *Nina Ricci* 889 F.2d at 1074. ("all doubt as to whether confusion, mistake, or deception is likely is to be resolved against the newcomer, especially where the established mark is one which is famous.") (citing *Planter's Nut & Chocolate Co. v. Crown Nut Co.*, 305 F.2d 916, 924-25 (CCPA 1962)); *San Fernando Electric*, 565 F.2d at 685 ("if there be any doubt about it, resolution of the doubt must be in favor of sustaining the opposition.")

The Board's failure to resolve doubts in Century 21's favor was yet another legal error which, coupled with the other errors, justified the Federal Circuit's reversal.

II.

THE PETITION SHOULD BE DENIED SINCE THERE IS NO CONFLICT AMONG THE CIRCUITS AS TO THE TREATMENT OF LEGAL ERROR ON THE ISSUE OF LIKELIHOOD OF CONFUSION AND THE ISSUE WAS NOT RAISED BELOW

Century Life raises for the first time in its petition the allegation that the Federal Circuit's standard of review is somehow inconsistent with that of certain other Circuit Courts of Appeal. If Century Life had wanted the Federal Circuit to apply a different standard of review, it was obligated to request a ruling on that issue from the Federal Circuit before seeking review from this Court. Ordinarily, the Supreme Court "does not decide questions not raised or resolved in the lower court." *Youakim*

v. Miller, 425 U.S. 231, 234 (1976). "Only in exceptional cases will this Court review a question not raised in the court below." *Lawn v. United States*, 355 U.S. 339, 362 n.16, *rehearing denied*, 355 U.S. 967 (1958).

Even if Century Life were allowed to raise this issue now, its alleged split among the Circuits does not warrant review by this Court since all of the Circuits conduct their review of the question of likelihood of confusion in essentially the same manner. For example, *all* of the Circuits review the underlying factual findings in the likelihood of confusion analysis under the clearly erroneous standard of review.

In *Little Caesar Enterprises Inc. v. Pizza Caesar Inc.*, 934 F.2d 568 (6th Cir. 1987), the court held that the factors analyzed in determining likelihood of confusion "are factual and subject to a clearly erroneous standard of review. . . ." *Id.* at 570. Similarly, the Second Circuit in *Hasbro Inc. v. Lanard Toys Ltd.*, 858 F.2d 70 (2d Cir. 1988) stated that in "reviewing the magistrate's determination as to the *Polaroid* factors, 'each specific finding is subject to a clearly erroneous standard . . . .' " *Id.* at 75 (citing *Banff Ltd. v. Federated Department Stores, Inc.*, 841 F.2d 486, 490 (2d Cir. 1988)). Similarly, the Federal Circuit accepts "the Board's factual findings unless clearly erroneous." *Kenner Parker Toys, Inc. v. Rose Art Industries, Inc.*, 963 F.2d 350, 352, (Fed. Cir.), *cert. denied*, 61 U.S.L.W. 3260 (1992).

In evaluating the various factors in the likelihood of confusion analysis, *all* of the circuits likewise use a *de novo* standard of review where, as in this case, incorrect legal principles have been applied by the lower court. For example, the Fifth Circuit stated in *Falcon Rice Mill, Inc. v. Community Rice Mill, Inc.*, 725 F.2d 336, 344 (5th Cir. 1984) that

> "it is well settled that likelihood of confusion is a question of fact and the trial court's determination may be reversed only if clearly erroneous. . . . If the trial court misapplies the governing legal standard, however, the 'clearly erroneous' standard is inapplicable."

In *Ambrit, Inc. v. Kraft Inc.*, 805 F.2d 974 (11th Cir. 1986) the Eleventh Circuit noted that the clearly erroneous standard "is not applicable 'when a district court labors under a misapprehension concerning the governing legal norms.' " *Id.* at 982 (quoting *Kentucky Fried Chicken Corp. v. Diversified Packaging Corp.*, 549 F.2d 368, 384 (5th Cir. 1977)).

Similarly, in *Pizzeria Uno Corp. v. Temple*, 747 F.2d 1522, 1526 (4th Cir. 1984), the Fourth Court has stated

> Nor will the clearly erroneous rule protect findings which have been made on the basis of the application of incorrect legal standards or made in disregard of applicable legal standards . . . .

Under their respective tests, all of the Circuit Courts would have reversed the Board in this case in view of the obvious legal errors which it committed. Thus, whether likelihood of confusion is a question of law or fact is irrelevant to this case and this issue does not provide a proper basis for appeal to the Supreme Court.

Century Life's argument overlooks the fact that this case involves only issues as to registrability of a mark, not infringement. All of the cases cited by Century Life concerning the standard of review applied in other Circuits were infringement actions filed in Federal District Courts and later appealed to the Circuit Courts. There are abundant reasons for applying a different standard of review in appeals from the Board.

Unlike the federal District Courts, the Board does not conduct a trial or hear live testimony. Rather, its decisions are based solely on deposition transcripts, briefs, and oral argument. Moreover, the Board is part of an administrative office of the Executive Branch of government and is not a part of the Judicial Branch. Thus, the safeguards found in an independent judiciary are missing.

Parties to an opposition may elect to file an appeal in either the Federal Circuit or in a federal District Court. 15 U.S.C. §1071. In such appeals, the standard of review is very similar to that used by the Federal Circuit. The district court reviews the matter *de novo* although the factual findings of the Board are controlling, unless the contrary is established by evidence which carries thorough conviction. *See e.g., Dow Corning Co. v. Applied Power Inds., Inc.,* 322 F.Supp. 943 (N.D.Ill. 1970).

Furthermore, the issues involved in trademark infringement actions are not identical to those raised in oppositions. Although the central issue in both is likelihood of confusion, the analysis applied is different. As noted in Part I.B., *supra,* certain presumptions must be made concerning the goods or services listed in the application. The Board and reviewing courts are not concerned so much with what the applicant is actually selling but rather with what the applicant has put in the application. The Board and the court likewise are required to assume that the goods or services listed in the application will travel in all normal channels of trade to all potential purchasers of such goods or services.

In an infringement proceeding the court must consider additional factual questions pertaining to the actual goods or services being sold, the manner of sale and actual purchases. Thus, an infringement proceeding is based far more on facts and far less on presumptions than is a registration proceeding.

III.

THE PETITION SHOULD BE DENIED SINCE THE FEDERAL CIRCUIT CORRECTLY APPLIED THE LAW PERTAINING TO THE ALLEGED EVIDENCE OF THIRD PARTY USE ON NONRELATED SERVICES

As noted in Part I.C., *supra*, the Federal Circuit and the Board have long recognized that evidence of use of similar marks by third parties on non-related goods is irrelevant. *See Smith Bros. v. Stone*, 476 F.2d at 1005 (absent any evidence showing the *extent of use* or whether the marks are now in *use*, third party registrations provide no basis for saying that the marks so registered have had, or may have, any effect at all on the public mind so as to have a bearing on likelihood of confusion); *San Fernando v. JFD Electronics*, 565 F.2d at 685 (no weight given third party registrations because there is no evidence showing that any of them are *in use* so as to condition the minds of prospective purchasers); *Charrette v. Bowater*, 13 U.S.P.Q.2d at 2040; *See also Eclipse v. Data General*, 894 F.2d at 1119 (unrelated use was irrelevant under federal law); *Kimberly-Clark*, 774 F.2d at 1147.

Century Life concedes in its petition that "the Federal Circuit has recognized that evidence of widespread use of a common element of a mark by others on the *same or similar services* can be used to establish the dictionary meaning of the word." Century Life's Petition at 23 (emphasis added). Although it provided no evidence of third party use on insurance services, Century Life contends that its alleged evidence of unrelated third-party use should have been considered to show that companies adopt the name "century" to denote a 100 year period.

This argument fails for two reasons. As noted by Century Life, only widespread use of a term on the *same or*

similar services qualifies as evidence on this issue. Century Life did not show any *actual use* in connection with any particular services let alone widespread use on the same or similar services. Furthermore, nothing in the record supports Century Life's contention that companies adopt the name to convey the idea of 100 years.

Century Life also contends that the Federal Circuit's opinion will have a chilling effect on free competition because it gives Century 21 a monopoly on the word "CENTURY." However, the Federal Circuit made no such broad finding. Rather, its opinion simply precludes Century Life from registering its mark for insurance services in view of the prior registration of CENTURY 21 for similar services.

IV.

THE PETITION SHOULD BE DENIED SINCE THE FEDERAL CIRCUIT'S DECISION IS CONSISTENT WITH PRIOR DECISIONS HOLDING THAT FAMOUS MARKS ARE ENTITLED TO A BROAD SCOPE OF PROTECTION

Century Life contends that its petition should be granted because shortly prior to the Federal Circuit's decision in this case, another three member panel of the Federal Circuit improperly overruled a prior Federal Circuit case cited in the Board's opinion below. The decision allegedly overruled is *B.V.D. Licensing v. Body Action Design*, 846 F.2d 727 (Fed. Cir. 1988).

While it is true that the court in *Kenner Parker Toys, Inc. v. Rose Art Industries, Inc.*, 963 F.2d350 (Fed. Cir.), *cert. denied*, 61 U.S.L.W. (1992),[11] clarified and

[11] Since Century Life is contending that a prior case resulted in the reversal of *B.V.D.* and not this case, the issue is not an appropriate grounds for granting Century Life's petition. In fact, *B.V.D.* is not even mentioned in the Federal Circuit's opinion in this case.

limited the *B.V.D.* case, there was no reversal. Rather, in *Kenner Parker*, the Federal Circuit held

> The Board erred by reading a statement from *B.V.D.* to undercut the legal standard for famous marks. . . . Even a summary examination of this court's treatment of famous marks, however, shows that the Board read that statement out of context. Both before and after *B.V.D.*, this court has consistently afforded strong marks a wider latitude of legal protection than weak marks. . . . The holding of *B.V.D.*, to the extent it treats fame as a liability, is confined to the facts of that case.

963 F.2d at 354. Thus, the Federal Circuit merely noted that to the extent the Board had viewed *B.V.D.* as reversing a very well established doctrine concerning famous marks, it had erred. This Court has already declined to grant a petition for certiorari in the *Kenner Parker* case.

Century Life states that "prior decisions of a panel of the Federal Court are binding precedent in subsequent appeals unless overturned in banc. . . ." Century Life's Petition at 25. It also contends that "when there is a direct conflict between decisions in the Federal Circuit, the first decision is the precedent." *Id.* at 26 (citing *Atlantic Thermal Plastic Co. v. Faytex*, 1992 U.S. App. Lexis 19151 (Fed. Cir. 1992)).

To the extent that *B.V.D.* is viewed as holding that famous marks should have a limited scope of protection, it was in direct conflict with numerous prior decisions of the Federal Circuit. Thus, it is the *B.V.D.* case which should have been heard *en banc*, and the following prior cases should be viewed as the correct precedent. *See Kimberly-Clark*, 774 F.2d at 1146-47 (Fed. Cir. 1985) ("opposer's marks have acquired considerable fame, which weighs in its favor in determining likelihood of

confusion..) (quoting *Giant Food*, 710 F.2d at 1570 (Fed. Cir. 1983)); *Sure-Fit Prods. Co. v. Saltzson Drapery Co.*, 254 F.2d 158 (CCPA 1958); *Planter's Nut*, 305 F.2d at 924-25; *Specialty Brands*, 748 F.2d at 674-75 (Fed. Cir. 1984) ("[w]hen an opposer's trademark is a strong, famous mark, it can never be 'of little consequence' ").

Thus, there is no merit in Century Life's contention that the Federal Circuit erred in failing to follow *B.V.D.* To the extent there is any conflict between *B.V.D.* and prior cases, the holding therein already has been harmonized by the Federal Circuit with its long standing precedent concerning famous marks.

CONCLUSION

For the foregoing reasons Century Life's petition for certiorari should be denied.

Respectfully submitted,

MICHAEL A. GROW
VORYS, SATER,
SEYMOUR & PEASE
1828 L Street, N.W.
Washington, D.C. 20036
(202) 467-8800
Attorney for Respondent.

November 18, 1992

CERTIFICATE OF SERVICE

I hereby certify that three copies of the foregoing Brief In Opposition were served on counsel for Petitioner Richard Bushnell, Esq., Trexler, Bushnell, Giangiorgi & Blackstone at 105 West Adams Street, Chicago, Illinois 60603, this 18th day of November, 1992 by First Class Mail, Postage Prepaid.

_____

Michael A. Grow